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October 25, 1994

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OCT 25 1994

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

Mr. William F. Caton  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W. Room 222  
Washington, D.C. 20554

Ex Parte

Re: PR Docket No. 93-61

Dear Mr. Caton:

Attached for filing in the record of this docket are relevant excerpts from the Report of the House Committee on Energy and Commerce, H.Rep. No. 103-844, with respect to the Federal Communications Commission Authorization Act of 1994. The attached excerpts express the sense of the Committee with respect to the proposal in the above-referenced docket on the allocation of spectrum for a Location Monitoring Service.

Two copies of this filing are enclosed for placement in the docket.

Should any questions arise in connection with this matter, please communicate with undersigned counsel.

Very truly yours,

A handwritten signature in dark ink, appearing to read "J. Sheldon", is written over the typed name.

Jeffrey L. Sheldon  
General Counsel

Attachment

cc (w/ attachment):  
Chairman Hundt  
Commissioner Quello  
Commissioner Barrett  
Commissioner Ness  
Commissioner Chong  
Ralph Haller, FCC-PRB  
Beverly Baker, FCC-FOB  
Richard Smith, FCC-OET

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# EXCERPTS

103D CONGRESS } HOUSE OF REPRESENTATIVES { REPORT  
2d Session } 103-844

## FEDERAL COMMUNICATIONS COMMISSION AUTHORIZATION ACT OF 1994

OCTOBER 6, 1994.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

Mr. DINGELL, from the Committee on Energy and Commerce,  
submitted the following

### REPORT

[To accompany H.R. 4522]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 4522) to amend the Communications Act of 1934 to extend the authorization of appropriations of the Federal Communications Commission, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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frequencies are quickly relocated to other regions of the radio spectrum.

*Common carrier funding mechanisms*

The Committee also wants to stress that as the Commission establishes funding mechanisms to be imposed on the common carrier industry, such mechanisms should recognize the reality of the communications marketplace, which is characterized by both facilities-based providers and resellers. Any funding mechanism that imposes charges on both resellers and facilities-based providers should be rationalized so that it does not result in a "double-counting" of the fee imposed on resellers. The Committee is aware that the Telecommunications Relay Service fund recognizes no such distinction between resellers and facilities-based providers. As the Commission develops new funding mechanisms, the Committee believes that it must pay heed to the reality of the marketplace and not result in an unfair "double-counting" on some telecommunications providers. Both resellers and facilities-based providers must contribute equitably to any industry-wide funding mechanism, and the Commission should take pains to ensure that all providers of services share the obligation to bear a fair share of the cost. As part of that process, the Commission may want to review the funding mechanism for Telecommunications Relay Service to determine whether it should be modified in light of the new funding mechanism.

*Location monitoring services*

The Committee is aware that the Commission has before it a proceeding to reallocate a portion of the band currently utilized exclusively by unlicensed devices registered pursuant to Part 15 of the Commission's Rules. Given the many competing demands for new allocations for a variety of different uses, coupled with the congestion in many bands that lead to requests for expansions, the Committee recognizes that the Commission is often faced with a Hobson's Choice when making allocation decisions.

In this case, however, a major consideration in the Commission's deliberations must be the current deployment of these devices throughout the country. There are literally millions of these devices in use in virtually every home—cordless telephones, automatic garage door openers, baby monitors, as well as meter reading devices that have the potential to save both money and energy.

These devices are not cheap. An allocation decision that has the effect of rendering useless millions of these devices—many of which cost \$200 or more—would cause a significant number of American households a real hardship.

The citizens who purchase these devices are well aware that the Commission's rules do not protect against harmful interference. However, there is a logical expectation that this lack of protection extends only to interference caused by similar Part 15 devices.

It is the Committee's expectation that the problems raised in this proceeding can be solved in a manner that is acceptable to the millions of people who own and operate Part 15 devices, and to the proponents of the proposed Location Monitoring Service. The Com-

mission should proceed expeditiously to establish a regulatory structure that protects the interests of each.

#### HEARINGS

The Committee's Subcommittee on Telecommunications and Finance held a hearing on H.R. 4522 on May 26, 1994. Testimony was received from FCC Chairman Reed E. Hundt, Commissioners James H. Quello, Andrew C. Barrett, Rachelle B. Chong, and Susan Ness.

#### COMMITTEE CONSIDERATION

On July 14, 1994, the Subcommittee on Telecommunications and Finance met in open session and ordered reported the bill H.R. 4522, as amended, by a voice vote. On August 5, 1994, the Committee met in open session and ordered reported the bill H.R. 4522, as amended, by a voice vote, a quorum being present.

#### COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 2(1)(3)(A) of rule XI of the Rules of the House of Representatives, the Subcommittee held oversight hearings and made findings that are reflected in the legislative report.

#### COMMITTEE ON GOVERNMENT OPERATIONS

Pursuant to clause 2(1)(3)(D) of rule XI of the Rules of the House of Representatives, no oversight findings have been submitted to the Committee by the Committee on Government Operations.

#### COMMITTEE COST ESTIMATE

In compliance with clause 7(a) of rule XIII of the Rules of the House of Representatives, the Committee believes that the cost incurred in carrying out H.R. 4522 would be \$188.4 million in FY 1995 in direct outlays. \$95,600,000 in FY 1995 will be collected from entities regulated by the Commission, which funds will be retained by the Commission and utilize to underwrite the cost of Commission policy and rulemaking, enforcement, international and public information service activities. In subsequent fiscal years, the regulatory fees contained in H.R. 4522 will rise or fall depending on the amount appropriated for these four activities.

#### CONGRESSIONAL BUDGET OFFICE ESTIMATE

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
Washington, DC, September 28, 1994.

Hon. JOHN D. DINGELL,  
Chairman, Committee on Energy and Commerce,  
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4522, the Federal Communications Commission Authorization Act of 1994.

Because enactment of H.R. 4522 would affect both direct spending and receipts, pay-as-you-go procedures would apply to the bill.